



4004

**ANNUAL REPORT**

OF

Name: CRANDON TELEPHONE COMPANY

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Principal Office: 105 S HAZELDELL AVE  
P.O. BOX 275  
CRANDON, WI 54520-0275

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For the Year Ended: DECEMBER 31, 1997

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TELECOMMUNICATIONS UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 267-9504

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

## GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

**SIGNATURE PAGE**

I LEE A. LAPPIN of  
(Person responsible for accounts)

CRANDON TELEPHONE COMPANY, certify that I  
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

LEE A. LAPPIN 04/24/1998  
(Person responsible for accounts) (Date)

ASSISTANT SECRETARY AND ASSISTANT TREASURER  
(Title)

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**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Access Line</b>	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
<b>Analog Signal</b>	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
<b>Cellular System</b>	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
<b>Central Office</b>	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
<b>Centrex</b>	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
<b>Channel</b>	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
<b>Customer</b>	A person who uses a telephone as a subscriber.
<b>Digital Signal</b>	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
<b>Equal Access</b>	The ability of the subscriber to use any long distance service by dialing the same number of digits.
<b>Exchange</b>	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
<b>Extended Area Service (EAS)</b>	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
<b>Extended Community Calling (ECC)</b>	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
<b>Feature Group A</b>	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Feature Group B</b>	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
<b>Feature Group C</b>	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
<b>Feature Group D</b>	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
<b>FX-IN</b>	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
<b>FX-OUT</b>	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
<b>Host Switching System</b>	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
<b>Local Access Transport Area (LATA)</b>	A geographic area within which an operating company may offer its telecommunications services.
<b>Mobile Telephone</b>	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
<b>Paging</b>	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
<b>Pair</b>	Two wires of a single circuit.
<b>Pay Station</b>	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
<b>Private Line Service</b>	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
<b>Private Branch Exchange (PBX)</b>	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
<b>Radio Common Carrier (RCC)</b>	A company which furnishes public telecommunications service using one or more radio channels.
<b>Remote Switching Unit (RSU)</b>	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Route Miles</b>	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none"><li>1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.</li><li>2. One mile of a cross country route with any combination of outside plant facilities.</li><li>3. One mile of point-to-point microwave or radio link.</li><li>4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.</li><li>5. One mile of joint use line where the utility either owns the facility or leases space.</li></ol>
<b>Stand Alone Switch</b>	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
<b>Trunk</b>	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
<b>Wide Area Telephone Service (WATS)</b>	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
<b>Wire Center</b>	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>



**ABBREVIATIONS USED IN ANNUAL REPORTS**

<b>Acct</b>	.....	Account
<b>Accum</b>	.....	Accumulated
<b>Acq</b>	.....	Acquisition
<b>Admin</b>	.....	Administrative
<b>Alloc</b>	.....	Allocation
<b>Amort</b>	.....	Amortization
<b>CO</b>	.....	Central Office
<b>Depr</b>	.....	Depreciation
<b>Equip</b>	.....	Equipment
<b>Exp</b>	.....	Expenses
<b>EOY</b>	.....	End of Year
<b>FOY</b>	.....	First of Year
<b>Info</b>	.....	Information
<b>ITC</b>	.....	Investment Tax Credit
<b>Misc</b>	.....	Miscellaneous
<b>Nonoper</b>	.....	Nonoperating
<b>Nonreg</b>	.....	Nonregulated
<b>Oper</b>	.....	Operating
<b>Opns</b>	.....	Operations
<b>Orig</b>	.....	Originating
<b>Prop</b>	.....	Property
<b>Receiv</b>	.....	Receivable
<b>Reg</b>	.....	Regulated
<b>Rev</b>	.....	Revenues
<b>Svcs</b>	.....	Services
<b>Telecom</b>	.....	Telecommunications
<b>Term</b>	.....	Terminating
<b>TPIS</b>	.....	Telecommunications Plant in Service
<b>TPUC</b>	.....	Telecommunications Plant Under Construction
<b>Uncoll</b>	.....	Uncollectible

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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** CRANDON TELEPHONE COMPANY  
**Utility Location:** 105 S HAZELDELL AVE  
P.O. BOX 275  
CRANDON, WI 54520-0275

**Utility Web Site Address:**

**When was utility organized?:** 01/01/1900

**Report any change in name and the effective date:**

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**Officer in charge of correspondence concerning this report**

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**Name:** MR LEE A. LAPPIN  
**Title:** ASSISTANT SECRETARY AND ASSISTANT TREASURER

**Office Address:** 53 NORTH STEVENS STREET  
P.O. BOX 340  
RHINELANDER, WI 54501-0340

**Fax Number:** (715) 369 - 2628  
**Telephone Number:** (715) 365 - 7777  
**Email Address:** lalap@newnorth.net

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**Individual or firm, if other than utility employee, preparing this report**

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**Name:**  
**Title:**

**Office Address:**

**Fax Number:**  
**Telephone Number:**  
**Email Address:**

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**Person responsible for financial information contained in report**

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**Name:** MR LEE A. LAPPIN  
**Title:** ASSISTANT SECRETARY AND ASSISTANT TREASURER

**Office Address:** 53 NORTH STEVENS STREET  
P.O. BOX 340  
RHINELANDER, WI 54501-0340

**Fax Number:** (715) 369 - 2628  
**Telephone Number:** (715) 365 - 7777  
**Email Address:** lalap@newnorth.net

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**Person responsible for statistical information contained in report**

---

**Name:** MR LEE A. LAPPIN  
**Title:** ASSISTANT SECRETARY AND ASSISTANT TREASURER

**Office Address:** 53 NORTH STEVENS STREET  
P.O. BOX 340  
RHINELANDER, WI 54501-0340

**Fax Number:** (715) 369 - 2628  
**Telephone Number:** (715) 365 - 7777  
**Email Address:** lalap@newnorth.net

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**IDENTIFICATION AND OWNERSHIP**

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**List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).**

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**Name:** RHINELANDER TELECOMMUNICATIONS, INC.  
**Address:** 53 NORTH STEVENS STREET  
PO BOX 340  
RHINELANDER, WI 54501-0340

**Number of Shares Held:** 300

**Beneficial Owner:** NONE

**INCOME STATEMENT - TOTAL COMPANY**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
Operating Revenues (5000-5300)	2,773,114	2,507,712	<b>1</b>
<b>Operating Expenses</b>			
Plant Specific Operations Expense (6110-6410)	250,852	272,153	<b>2</b>
Plant Nonspecific Operations Expense	1,328,652	698,952	<b>3</b>
Customer Operations Expense (6610-6620)	336,382	335,398	<b>4</b>
Corporate Operations Expense (6710-6790)	247,807	242,679	<b>5</b>
Other Operating Income and Expense (7100)	0	0	<b>6</b>
Operating Taxes (7200)	253,781	390,923	<b>7</b>
<b>Total Operating Expenses</b>	<b>2,417,474</b>	<b>1,940,105</b>	<b>8</b>
<b>Net Operating Income</b>	<b>355,640</b>	<b>567,607</b>	<b>9</b>
<b>Other Income</b>			
Nonoperating Income and Expense (7300)	85,065	54,544	<b>10</b>
Nonoperating Taxes (7400)	29,029	21,545	<b>11</b>
Interest and Related Items (7500)	166,194	171,884	<b>12</b>
Extraordinary Items (7600)	0	0	<b>13</b>
Nonregulated Net Income (7990)	(630)	(1,879)	<b>14</b>
<b>Total Nonoperating Income</b>	<b>(110,788)</b>	<b>(140,764)</b>	<b>15</b>
<b>Net Income</b>	<b>244,852</b>	<b>426,843</b>	<b>16</b>

**NOTES TO INCOME STATEMENT OR BALANCE SHEET**

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

- 
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

**NONE**

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2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

**NONE**

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3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

THE MORTGAGE TO THE UNITED STATES OF AMERICA, UNDERLYING THE RUS AND RTB NOTES, CONTAINS CERTAIN RESTRICTIONS ON THE DECLARATION OR PAYMENT OF CASH DIVIDENDS, REDEMPTIONS OF CAPITAL STOCK, OR INVESTMENT IN AFFILIATED COMPANIES. AS OF DECEMBER 31, 1997, THE MAXIMUM AMOUNT WHICH COULD BE DISTRIBUTED IN ACCORDANCE WITH THESE RESTRICTIONS WAS \$1,436,000 EXCEPT AS MIGHT BE SPECIFICALLY AUTHORIZED IN WRITING IN ADVANCE BY THE RUS AND RTB NOTEHOLDERS.

**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT ASSETS</b>			
<b>CASH AND EQUIVALENTS</b>			
Cash and Equivalents (1120)*			1
Cash (1130)	142,209	32,274	2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)	500	500	4
Temporary Investments (1160)	90,841	321,123	5
<b>TOTAL CASH AND EQUIVALENTS</b>	<b>233,550</b>	<b>353,897</b>	
<b>RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS</b>			
Telecommunications Accounts Receivable (1180)*	15,186	26,142	6
Accounts Receivable Allowance-Telecom (1181)*			7
<b>Net: Telecommunications Accounts Receivable</b>	<b>15,186</b>	<b>26,142</b>	
Other Accounts Receivable (1190)*	392,080	210,502	8
Accounts Receivable Allowance--Other (1191)*			9
<b>Net: Other Accounts Receivable</b>	<b>392,080</b>	<b>210,502</b>	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
<b>Net: Notes Receivable</b>	<b>0</b>	<b>0</b>	
Interest and Dividends Receivable (1210)*			12
<b>TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL</b>	<b>407,266</b>	<b>236,644</b>	
<b>SUPPLIES</b>			
Inventories (1220)*	36,078	30,212	13
<b>TOTAL SUPPLIES</b>	<b>36,078</b>	<b>30,212</b>	
<b>PREPAYMENTS</b>			
Total Prepayments (1280)*			14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)	20,336	19,146	16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)	14,003	15,872	19
<b>TOTAL PREPAYMENTS</b>	<b>34,339</b>	<b>35,018</b>	
<b>OTHER CURRENT ASSETS</b>			
Other Current Assets (1350)*			20
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>0</b>	<b>0</b>	
<b>TOTAL CURRENT ASSETS</b>	<b>711,233</b>	<b>655,771</b>	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	334,765	334,765	22
Nonregulated Investments (1406)*	120,324	42,896	23
Unamortized Debt Issuance Expense (1407)*	3,077	3,347	24
Sinking Funds (1408)*	0	0	25

**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Other Noncurrent Assets (1410)*	2,102	582	26
<b>TOTAL INVESTMENTS</b>	<b>460,268</b>	<b>381,590</b>	
<b>DEFERRED CHARGES</b>			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	37,625		29
<b>TOTAL DEFERRED CHARGES</b>	<b>37,625</b>	<b>0</b>	
<b>TOTAL NONCURRENT ASSETS</b>	<b>497,893</b>	<b>381,590</b>	
<b>PLANT</b>			
<b>TELECOMMUNICATIONS PLANT IN SERVICE</b>			
Telecommunications Plant in Service (2001)*	9,605,832	10,091,337	30
Less: Accumulated Depreciation (3100)*	3,529,541	3,905,170	31
Less: Accumulated Amortization--Capitalized Leases (3410)*			32
Less: Accumulated Amortization--Leasehold Improvements (3420)*			33
Less: Accumulated Amortization--Intangible (3500)*			34
<b>NET TELECOMMUNICATIONS PLANT IN SERVICE</b>	<b>6,076,291</b>	<b>6,186,167</b>	
<b>PROPERTY HELD FOR FUTURE USE</b>			
Prop. Held for Future Telecommun. Use (2002)*			35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			36
<b>NET PROPERTY HELD FOR FUTURE USE</b>	<b>0</b>	<b>0</b>	
<b>NONOPERATING PLANT</b>			
Nonoperating Plant (2006)*			37
Less: Accumulated Depreciation--Nonoperating (3300)*			38
<b>NET NONOPERATING PLANT</b>	<b>0</b>	<b>0</b>	
<b>TPUC</b>			
TPUC (2003)*	11,544	694,314	39
<b>TOTAL TPUC</b>	<b>11,544</b>	<b>694,314</b>	
<b>TELECOMMUNICATIONS PLANT ADJUSTMENT</b>			
Telecommunications Plant Adjustment (2005)*			40
Less: Accumulated Amortization--Other (3600)*			41
<b>NET TELECOMMUNICATIONS PLANT ADJUSTMENT</b>	<b>0</b>	<b>0</b>	
<b>TOTAL PLANT</b>	<b>6,087,835</b>	<b>6,880,481</b>	
<b>TOTAL ASSETS AND OTHER DEBITS*</b>	<b>7,296,961</b>	<b>7,917,842</b>	

**BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>Balance--EOY (b)</b>	<b>Balance--FOY (c)</b>	
<b>CURRENT LIABILITIES</b>			
Accounts Payable (4010)*	137,627	618,656	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*			4
Current Maturities--Long-Term Debt (4050)*	132,374	138,836	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*			7
Other Taxes--Accrued (4080)*	38	8,326	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	44,040	41,005	11
Other Current Liabilities (4130)*			12
<b>TOTAL CURRENT LIABILITIES*</b>	<b>314,079</b>	<b>806,823</b>	
<b>LONG-TERM DEBT</b>			
Funded Debt (4210)*	3,024,247	3,156,760	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
<b>TOTAL LONG-TERM DEBT*</b>	<b>3,024,247</b>	<b>3,156,760</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	50,062	75,094	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	517,886	718,190	23
Net Deferred Tax Liability Adjustments (4341)*	(32,696)	(49,044)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	134,860		26
Deferred Tax Regulatory Liability (4361)*	32,696	49,044	27
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*</b>	<b>702,808</b>	<b>793,284</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock (4510)*	7,500	7,500	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*			31
Retained Earnings (4550)*	3,248,327	3,153,475	32
<b>TOTAL STOCKHOLDERS' EQUITY*</b>	<b>3,255,827</b>	<b>3,160,975</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS*</b>	<b>7,296,961</b>	<b>7,917,842</b>	



**STATEMENT OF CASH FLOWS**

<b>Item (a)</b>	<b>Amount (b)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	244,852	<b>1</b>
<b>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:</b>		
Depreciation and amortization	1,243,413	<b>2</b>
Interest during construction	(11,544)	<b>3</b>
<b>Changes in assets and liabilities:</b>		
Current assets (net)	(175,809)	<b>4</b>
Other noncurrent assets	(39,414)	<b>5</b>
Other current liabilities	(486,282)	<b>6</b>
Other liabilities and deferred credits	(90,476)	<b>7</b>
<b>Other (specify):</b>		
<b>TOTAL ADJUSTMENTS</b>	<b>439,888</b>	
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME &amp; ADJUST.)</b>	<b>684,740</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Capital Expenditures:</b>		
Changes in plant (net)	(439,223)	<b>8</b>
Investments in affiliated companies	0	<b>9</b>
Nonoperating Investments	(77,428)	<b>10</b>
<b>Other (specify):</b>		
<b>NET CASH USING IN INVESTING ACTIVITIES</b>	<b>(516,651)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Change in capital lease obligations (net)	0	<b>11</b>
Change in long-term debt (net)	(138,436)	<b>12</b>
Net changes in stockholder equity other than retained earnings	0	<b>13</b>
Change in short term borrowing (net)	0	<b>14</b>
Dividends paid	(150,000)	<b>15</b>
Miscellaneous debits/credits to retained earnings	0	<b>16</b>
<b>Other (specify):</b>		
<b>Net Cash Provided by Financing Activities</b>	<b>(288,436)</b>	
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(120,347)</b>	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

**IMPORTANT CHANGES DURING THE YEAR**

- 
1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

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2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

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3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

NONE

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4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

NONE

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5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

NONE

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6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

NONE

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7. Changes in articles of incorporation or amendments to charter.

NONE

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8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

Response received 11/24/99 (ele):

The following entry dated November, 1997 was made to move the investment and reserve from regulated to nonregulated which is below the line. Basis of valuation was cost with a net book value of \$0.

Account	Debit (Credit) Amount
1406.600	\$27,160.26
2351.000	(\$27,160.26)
1406.610	(\$27,160.26)
3100.2351	\$27,160.26

**AFFILIATE ABBREVIATIONS**

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

<b>Name of Affiliate (a)</b>	<b>Abbreviations (b)</b>	
HEADWATERS TELEPHONE COMPANY	HDWTRS	<b>1</b>
RHINELANDER TLEPHONE COMPANY	RHLNDR	<b>2</b>
RHINELANDER TELECOMMUNICATIONS, INC.	RTI	<b>3</b>

**AFFILIATED INTEREST TRANSACTIONS**

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

<b>Particulars</b> <b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
Docket	None	None	1410-AT-001001		
Name of Affiliate	HDWTRS	HDWTRS	RHLNDR		1
Designate whether billed to or from:	FROM	TO	FROM		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C		3
Revenues	3,208				4
<b>Expenses:</b>					
Plant Specific Operations Expense					5
Plant Nonspecific Operations Expense			58,036		6
Customer Operations Expense	5,647		12,950		7
Corporate Operations Expense	828		77,797		8
<b>Total Operating Expenses</b>	<b>6,475</b>	<b>0</b>	<b>148,783</b>	<b>0</b>	9
<b>Other:</b>					
Plant Accounts					10
Accumulated Depreciation					11
Accumulated Amortization					12
Clearing					13
All Other		2,074	417		14
<b>Total</b>	<b>9,683</b>	<b>2,074</b>	<b>149,200</b>	<b>0</b>	15
Percent of affiliate's business billed to all affiliated regulated utilities					16
If cost based, rate of return on equity or markup incorporated in billings	0.00		0.00		17
Footnotes					

**AFFILIATED ASSETS AND LIABILITIES**

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

<b>Name of Affiliate (a)</b>	<b>Account Number (b)</b>	<b>Balance EOY (c)</b>	
HEADWATERS TELEPHONE COMPANY	1190	(2,730)	<b>1</b>
RHINELANDER TLEPHONE COMPANY	1190	(5,318)	<b>2</b>
RHINELANDER TELECOMMUNICATIONS, INC.	1190	(62,382)	<b>3</b>

## ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year		2
<b>Net write offs during the year</b>	<b>0</b>	

**NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)**

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

<b>Name of Maker and purpose (a)</b>	<b>Issue Date (b)</b>	<b>Maturity (c)</b>	<b>Interest Rate (d)</b>	<b>Amount EOY (e)</b>	<b>Allowance Acct. 1201 (f)</b>
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NONE

<b>Total</b>				<u><u>0</u></u>	<u><u>0</u></u>	<b>1</b>
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## INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	23,550	1
<b>Other:</b>		
CELLULAR PARTNERSHIP - RSA #3	311,215	2
<b>Total Investments in Nonaffiliated Companies</b>	<b>334,765</b>	



**NONREGULATED INVESTMENTS (ACCT. 1406)**

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

<b>Name (a)</b>	<b>Balance EOY (b)</b>	
<b>Total Net Investment and Inventory ( Accts. 1406.10, 1406.11, and 1406.12 ):</b>		
CUSTOMER PROVIDED EQUIPMENT (CPE)	6,937	<b>1</b>
MATERIALS AND SUPPLIES	37,778	<b>2</b>
CELLULAR EQUIPMENT	16,254	<b>3</b>
PAGING EQUIPMENT	58,164	<b>4</b>
PAYPHONE EQUIPMENT	1,191	<b>5</b>

**DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)**

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
<b>Total</b>	<b>0</b>

1

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
<b>GENERAL SUPPORT ASSETS</b>				
Land	2111	33,500	6,498	1 c
Motor Vehicles	2112	144,950		2
Aircraft	2113			3
Special Purpose Vehicles	2114			4
Garage Work Equipment	2115			5
Other Work Equipment	2116	177,925	5,549	6
Buildings	2121	751,769	49,114	7 c
Furniture	2122	15,507		8
Office Equipment	2123	36,346	0	9
General Purpose Computers	2124	53,166	2,311	10
<b>TOTAL--GENERAL SUPPORT ASSETS:</b>		<b>1,213,163</b>	<b>63,472</b>	
<b>CENTRAL OFFICE ASSETS</b>				
Analog Electronic Switching	2211			11
Digital Electronic Switching	2212	1,574,351	481,098	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	91,491	0	15 c
Circuit Equipment	2232	1,038,104	314,782	16
<b>TOTAL--CENTRAL OFFICE ASSETS:</b>		<b>2,703,946</b>	<b>795,880</b>	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>				
Station Apparatus	2311			17
Customer Premises Wiring	2321			18
Large Private Branch Exchanges	2341			19
Public Telephone Terminal Equipment	2351	27,160		20 c
Other Terminal Equipment	2362	1,722		21
<b>TOTAL--INFORMATION ORIG/TERM ASSETS:</b>		<b>28,882</b>	<b>0</b>	
<b>CABLE WIRE FACILITIES ASSETS</b>				
Poles	2411	17,314		22 c
Aerial Cable	2421	0	0	23
Underground Cable	2422	440,825	3,724	24
Buried Cable	2423	5,052,000	303,463	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	635,207	1	30
<b>TOTAL--CABLE WIRE FACILITIES ASSETS:</b>		<b>6,145,346</b>	<b>307,188</b>	
<b>AMORTIZABLE ASSETS</b>				
Capital Leases	2681			31

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2111		(9,636)	30,362	1 c
2112			144,950	2
2113			0	3
2114			0	4
2115			0	5
2116	5,774		177,700	6
2121		(31,054)	769,829	7 c
2122			15,507	8
2123	0	0	36,346	9
2124			55,477	10
	<b>5,774</b>	<b>(40,690)</b>	<b>1,230,171</b>	
2211			0	11
2212	1,291,950	0	763,499	12
2215	0	0	0	13
2220			0	14
2231	83,199	(8,292)	0	15 c
2232	149,460	0	1,203,426	16
	<b>1,524,609</b>	<b>(8,292)</b>	<b>1,966,925</b>	
2311			0	17
2321			0	18
2341			0	19
2351		(27,160)	0	20 c
2362			1,722	21
	<b>0</b>	<b>(27,160)</b>	<b>1,722</b>	
2411		(17,314)	0	22 c
2421	0	0	0	23
2422	0	0	444,549	24
2423	28,206	0	5,327,257	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			635,208	30
	<b>28,206</b>	<b>(17,314)</b>	<b>6,407,014</b>	
2681			0	31

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
<b>AMORTIZABLE ASSETS</b>				
Leasehold Improvements	2682			<b>32</b>
Intangibles	2690			<b>33</b>
<b>TOTAL--AMORTIZABLE ASSETS:</b>		<b>0</b>	<b>0</b>	
<b>TOTAL TELECOM. PLANT IN SERVICE</b>	<b>2001</b>	<b>10,091,337</b>	<b>1,166,540</b>	
Less: Allocation to Nonregulated Activity - EOY	2001			<b>34 c</b>
<b>NET REG. TOTAL TELE. PLANT IN SERV. - EOY</b>	<b>2001</b>			

Explain all amounts shown in column (g).

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2682			0	32
2690			0	33
	0	0	0	
	1,558,589	(93,456)	9,605,832	
2001			0	34 c
			9,605,832	

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)**

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subaccount (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
Office Support Equipment	2123.1	31,460		<b>1</b>
Company Communications Equipment	2123.2	4,886		<b>2</b>
Software	2212.1			<b>3</b>
Digital Switching - Central Office	2212.2	1,574,351	481,098	<b>4</b>
Digital Switching - Remote	2212.3			<b>5</b>
Step by Step Switching	2215.1			<b>6</b>
Crossbar Switching	2215.2			<b>7</b>
Satellite and Earth Station Facilities	2231.1			<b>8</b>
Other Radio Facilities	2231.2	91,491		<b>9 c</b>
Digital Circuit Equipment	2232.1	929,666	242,057	<b>10</b>
Analog Circuit Equipment	2232.2			<b>11</b>
Light Wave Circuit Equipment	2232.3	108,438	72,725	<b>12</b>
Aerial Cable - Nonmetallic	2421.1			<b>13</b>
Aerial Cable - Metallic	2421.2			<b>14</b>
Underground Cable - Nonmetallic	2422.1	126,601		<b>15</b>
Underground Cable - Metallic	2422.2	314,224	3,724	<b>16</b>
Buried Cable - Nonmetallic	2423.1	428,879	83,972	<b>17</b>
Buried Cable - Metallic	2423.2	4,623,121	219,491	<b>18</b>
Submarine Cable - Nonmetallic	2424.1			<b>19</b>
Submarine Cable - Metallic	2424.2			<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1			<b>21</b>
Intrabuilding Cable - Metallic	2426.2			<b>22</b>

Explain all amounts shown in column (g).

# **TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)** **(cont.)**

<b>Subaccount (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2123.1			31,460	1
2123.2			4,886	2
2212.1			0	3
2212.2	1,291,950		763,499	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2	83,199	(8,292)	0	9 c
2232.1	149,460		1,022,263	10
2232.2			0	11
2232.3			181,163	12
2421.1			0	13
2421.2			0	14
2422.1			126,601	15
2422.2			317,948	16
2423.1			512,851	17
2423.2	28,206		4,814,406	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22



**ACCUMULATED DEPRECIATION CLASS A & B**

<b>Primary Plant Account (a)</b>	<b>Acct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>	
<b>GENERAL SUPPORT ASSETS</b>						
Motor Vehicles	2112	99,449	12.14	17,602		<b>1</b>
Aircraft	2113					<b>2</b>
Special Purpose Vehicles	2114					<b>3</b>
Garage Work Equipment	2115					<b>4</b>
Other Work Equipment	2116	161,756	10.0	17,723		<b>5</b>
Buildings	2121	308,693	3.33	24,836		<b>6c</b>
Furniture	2122	15,507	10.0			<b>7</b>
Office Equipment	2123	28,756	20.0	5,506		<b>8</b>
General Purpose Computers	2124	38,058	25.0	13,602		<b>9</b>
<b>Total-- GENERAL SUPPORT ASSETS</b>		<b>652,219</b>		<b>79,269</b>		<b>0</b>
<b>CENTRAL OFFICE ASSETS</b>						
Analog Electronic Switching	2211					<b>10</b>
Digital Electronic Switching	2212	816,278	7.85	79,210	555,781	<b>11</b>
Electro-Mechanical Switching	2215					<b>12</b>
Operator Systems	2220					<b>13</b>
Radio Systems	2231	74,883	12.0	7,319		<b>14c</b>
Circuit Equipment	2232	600,308	12.0	215,306		<b>15</b>
<b>Total-- CENTRAL OFFICE ASSETS</b>		<b>1,491,469</b>		<b>301,835</b>	<b>555,781</b>	
<b>INFORMATION ORIG/TERM ASSETS</b>						
Station Apparatus	2311					<b>16</b>
Customer Premises Wiring	2321					<b>17</b>
Large Private Branch Exchanges	2341					<b>18</b>
Public Telephone Terminal Equipment	2351	27,160	13.57			<b>19c</b>
Other Terminal Equipment	2362	1,177	13.57	233		<b>20</b>
<b>Total-- INFORMATION ORIG/TERM ASSETS</b>		<b>28,337</b>		<b>233</b>		<b>0</b>
<b>CABLE WIRE FACILITIES ASSETS</b>						
Poles	2411	15,403	11.67	1,347		<b>21c</b>
Aerial Cable	2421					<b>22</b>
Underground Cable	2422	128,477	5.0	20,872		<b>23</b>
Buried Cable	2423	1,448,397	5.25	263,255		<b>24</b>
Submarine Cable	2424					<b>25</b>
Deep Sea Cable	2425					<b>26</b>
Intrabuilding Network Cable	2426					<b>27</b>
Aerial Wire	2431					<b>28</b>

**ACCUMULATED DEPRECIATION CLASS A & B**

<b>Primary Plant Account (a)</b>	<b>Acct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
<b>CABLE WIRE FACILITIES ASSETS</b>					
Conduit Systems	2441	140,868	3.48	22,106	<b>29</b>
<b>Total-- CABLE WIRE FACILITIES ASSETS</b>		<b>1,733,145</b>		<b>307,580</b>	<b>0</b>
<b>Total Accumulated Depreciation</b>	<b>3100</b>	<b>3,905,170</b>		<b>688,917</b>	<b>555,781</b>
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				<b>30</b>
<b>Net Regulated Total Accum Depreciation - 3100</b>					
<b>Columns e, f and I</b>					

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2112					117,051	1
2113					0	2
2114					0	3
2115					0	4
2116	5,774				173,705	5
2121				(14,009)	319,520	6 c
2122					15,507	7
2123	0				34,262	8
2124					51,660	9
	<b>5,774</b>	<b>0</b>	<b>0</b>	<b>(14,009)</b>	<b>711,705</b>	
2211					0	10
2212	1,291,950	3,966			155,353	11
2215	0				0	12
2220					0	13
2231	83,199			997	0	14 c
2232	149,460				666,154	15
	<b>1,524,609</b>	<b>3,966</b>	<b>0</b>	<b>997</b>	<b>821,507</b>	
2311					0	16
2321					0	17
2341					0	18
2351				(27,160)	0	19 c
2362					1,410	20
	<b>0</b>	<b>0</b>	<b>0</b>	<b>(27,160)</b>	<b>1,410</b>	
2411				(16,750)	0	21 c
2421	0				0	22
2422	0				149,349	23
2423	28,206	850			1,682,596	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2441					162,974	29
	28,206	850	0	(16,750)	1,994,919	
<b>3100</b>	<b>1,558,589</b>	<b>4,816</b>	<b>0</b>	<b>(56,922)</b>	<b>3,529,541</b>	
3100						30
<b>3100</b>						

**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)**

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subacct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>	
Office Support Equipment	2123.1	26,931	20.0	4,529		<b>1</b>
Company Communications Equipment	2123.2	1,825	20.0	977		<b>2</b>
Software	2212.1					<b>3</b>
Digital Switching - Central Office	2212.2	816,278	7.85	79,210	555,781	<b>4</b>
Digital Switching - Remote	2212.3					<b>5</b>
Step by Step Switching	2215.1					<b>6</b>
Crossbar Switching	2215.2					<b>7</b>
Satellite and Earth Station Facilities	2231.1					<b>8</b>
Other Radio Facilities	2231.2	74,883	12.0	7,319		<b>9c</b>
Digital Circuit Equipment	2232.1	558,462	12.0	201,262		<b>10</b>
Analog Circuit Equipment	2232.2					<b>11</b>
Light Wave Circuit Equipment	2232.3	41,846	9.5	14,044		<b>12</b>
Aerial Cable - Nonmetallic	2421.1					<b>13</b>
Aerial Cable - Metallic	2421.2					<b>14</b>
Underground Cable - Nonmetallic	2422.1	8,237	4.07	5,153		<b>15</b>
Underground Cable - Metallic	2422.2	120,240	5.0	15,719		<b>16</b>
Buried Cable - Nonmetallic	2423.1	59,267	4.57	19,760		<b>17</b>
Buried Cable - Metallic	2423.2	1,389,130	5.25	243,495		<b>18</b>
Submarine Cable - Nonmetallic	2424.1					<b>19</b>
Submarine Cable - Metallic	2424.2					<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1					<b>21</b>
Intrabuilding Cable - Metallic	2426.2					<b>22</b>

**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)**

<b>Subacct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2123.1					31,460	1
2123.2					2,802	2
2212.1					0	3
2212.2	1,291,950	3,966			155,353	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2	83,199			997	0	9 c
2232.1	149,460				610,264	10
2232.2					0	11
2232.3					55,890	12
2421.1					0	13
2421.2					0	14
2422.1					13,390	15
2422.2					135,959	16
2423.1					79,027	17
2423.2	28,206	850			1,603,569	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

# **NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)**

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ( ).

<b>Particulars (a)</b>	<b>Balance FOY (b)</b>	
<b>PROPERTY RELATED</b>		
Other Current Assets (1350)		<b>1</b>
Other Noncurrent Assets (1410)		<b>2</b>
Deferred Tax Regulatory Asset (1437)		<b>3</b>
Net Current Deferred Operating Income Taxes (4100)		<b>4</b>
Net Noncurrent Deferred Operating Income Taxes (4340)	(795,222)	<b>5</b>
Net Deferred Tax Liability Adjustments (4341)	49,044	<b>6</b>
Deferred Tax Regulatory Liability (4361)	(49,044)	<b>7</b>
<b>Net Property Related Deferred Operating Income Taxes</b>	<b>(795,222)</b>	
Less: Allocation to Nonregulated Activity		<b>8</b>
<b>Net Regulated Total Property Related Deferred Operating Income Taxes</b>	<b>(795,222)</b>	
<b>NONPROPERTY RELATED</b>		
Other Current Assets (1350)		<b>9</b>
Other Noncurrent Assets (1410)		<b>10</b>
Deferred Tax Regulatory Asset (1437)		<b>11</b>
Net Current Deferred Operating Income Taxes (4100)		<b>12</b>
Net Noncurrent Deferred Operating Income Taxes (4340)	77,032	<b>13</b>
Net Deferred Tax Liability Adjustments (4341)		<b>14</b>
Deferred Tax Regulatory Liability (4361)		<b>15</b>
<b>Total Nonproperty Related Deferred Operating Income Taxes</b>	<b>77,032</b>	

**NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)**

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250		(161,894)		(633,328)	5
		16,348		32,696	6
		(16,348)		(32,696)	7
	0	(161,894)	0	(633,328)	8
				0	
	0	(161,894)	0	(633,328)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250	38,410			115,442	13
				0	14
				0	15
	38,410	0	0	115,442	



**NOTES PAYABLE (ACCT. 4020)**

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

<b>Name</b> <b>(a)</b>	<b>Issue</b> <b>Date</b> <b>(b)</b>	<b>Maturity</b> <b>(c)</b>	<b>Interest</b> <b>Rate</b> <b>(d)</b>	<b>Balance</b> <b>EOY</b> <b>(e)</b>
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NONE

<b>Total Notes Payable</b>	<u><u>0</u></u>	<b>1</b>
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**LONG-TERM DEBT**

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

<b>Description of Debt (a)</b>	<b>Specific or Range of Stated Dates of Issue (b)</b>	<b>Specific or Range of Stated Dates of Maturity (c)</b>	<b>Specific or Range of Interest Rates (d)</b>	
<b>Funded Debt (Account 4210):</b>				
RTB	05/12/1980	05/12/2015	8.0000	<b>1</b>
RUS	02/08/1962-01/21/1971	02/08/1997-01/21/2006	2.0000	<b>2</b>
RUS	12/10/1973-03/09/1994	12/10/2008-03/09/2029	5.0000	<b>3</b>
<b>Total Funded Debt</b>				

**LONG-TERM DEBT (cont.)**

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
8.0000			389,041	11,275	400,316	1
2.0000			198,932	33,196	232,128	2
5.0000			2,436,274	87,903	2,524,177	3
	0	0	3,024,247	132,374	3,156,621	

**CAPITAL STOCK ACCOUNTS AT END OF YEAR**

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

<b>Class and Series (a)</b>	<b>Shares Authorized by Charter (b)</b>	<b>Par Value per Share (c)</b>	<b>Call Price End of Year (d)</b>
<b>COMMON STOCK:</b>			
	300	25.00	1
<b>TOTAL COMMON STOCK</b>	<b>300</b>		
<b>TOTAL</b>	<b>300</b>		

**CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)**

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
<b>COMMON STOCK:</b>					
	300	7,500			1
	<b>300</b>	<b>7,500</b>	<b>0</b>	<b>0</b>	
<b>TOTAL</b>	<b>300</b>	<b>7,500</b>	<b>0</b>	<b>0</b>	

**RETAINED EARNINGS (ACCT. 4550)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
Balance-First of Year	3,153,475	3,276,632	<b>1</b>
<b>Changes:</b>			
Balance Transferred from Income	244,852	426,843	<b>2</b>
<b>Dividends Declared:</b>			
Common	150,000	550,000	<b>3</b>
Preferred			<b>4</b>
<b>Total Dividends Declared</b>	<b>150,000</b>	<b>550,000</b>	
Miscellaneous Debits to Retained Earnings			<b>5</b>
Miscellaneous Credits to Retained Earnings			<b>6</b>
<b>Balance--End of Year</b>	<b>3,248,327</b>	<b>3,153,475</b>	

**DISTRIBUTION OF TAXES**

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

<b>Summary Account/ Function Charged (a)</b>	<b>Wisconsin License Fee (b)</b>	<b>Wisconsin Income Tax (c)</b>	<b>Federal Income Tax (d)</b>	
Operating Taxes (Accts. 7210 - 7250)	160,009	24,307	65,731	<b>1</b>
Nonoperating Taxes (Accts. 7410 - 7450)		6,128	22,901	<b>2</b>
Extraordinary Items (Accts. 7630 & 7640)				<b>3</b>
Nonregulated Net Income (Acct. 7990)		(87)	(324)	<b>4</b>
Clearing Accounts				<b>5</b>
Construction				<b>6</b>
Payroll Taxes: FICA				<b>7</b>
Payroll Taxes: State Unemployment				<b>8</b>
Payroll Taxes: Federal Unemployment				<b>9</b>
<b>Other (specify):</b>				
<b>TOTAL</b>	<b><u>160,009</u></b>	<b><u>30,348</u></b>	<b><u>88,308</u></b>	

**DISTRIBUTION OF TAXES (cont.)**

<b>PSC Remainder Assessment (e)</b>	<b>Local Property Tax (f)</b>	<b>State &amp; Local Taxes Other than Wisconsin (g)</b>	<b>Other Taxes (h)</b>	<b>Payroll Taxes (i)</b>	<b>Total (j)</b>	
3,734					<b>253,781</b>	<b>1</b>
					<b>29,029</b>	<b>2</b>
					<b>0</b>	<b>3</b>
					<b>(411)</b>	<b>4</b>
					<b>0</b>	<b>5</b>
					<b>0</b>	<b>6</b>
				24,664	<b>24,664</b>	<b>7</b>
				389	<b>389</b>	<b>8</b>
				560	<b>560</b>	<b>9</b>
<b>3,734</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,613</b>	<b>308,012</b>	



**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	550,701	518,739	2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)	1,773	4,767	6
Local Private Line Revenue (5040)	2,350	2,344	7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)	71,599	72,610	9
Other Local Exchange Revenue Settlements (5069)			10
<b>TOTAL BASIC LOCAL SERVICE REVENUE (5000)</b>	<b>626,423</b>	<b>598,460</b>	
<b>NETWORK INTERSTATE ACCESS SERVICES REV.</b>			
End User Revenue (5081)*	171,841	164,298	11
Switched Access Revenue (5082)*	1,036,513	856,159	12 A
Special Access Revenue (5083)*	23,800	18,706	13 B
<b>TOTAL INTERSTATE ACCESS REVENUES (5080)</b>	<b>1,232,154</b>	<b>1,039,163</b>	
<b>NETWORK INTRASTATE ACCESS SERVICES REV.</b>			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	597,505	554,168	15
Special Access Revenue (5084.3)*	45,044	43,387	16
<b>TOTAL INTRASTATE ACCESS REVENUES (5084)</b>	<b>642,549</b>	<b>597,555</b>	
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
<b>Unidirectional Long Distance Revenue (5110)</b>	<b>0</b>	<b>0</b>	
<b>Long Distance Private Network Revenues</b>			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)	4,989		23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
<b>Total Long Distance Private Network Revenue</b>	<b>4,989</b>	<b>0</b>	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
<b>TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.</b>	<b>4,989</b>	<b>0</b>	

**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>MISCELLANEOUS REVENUES</b>			
Directory Revenue (5230)*	120,637	111,672	<b>30</b>
Rent Revenue (5240)*			<b>31</b>
Corporate Operations Revenue (5250)*			<b>32</b>
<b>Miscellaneous:</b>			
Miscellaneous Revenue (5260)*			<b>33</b>
Special Billing Arrangements Revenue (5261)	6,357	8,180	<b>34</b>
Customer Operations Revenue (5262)			<b>35</b>
Plant Operations Revenue (5263)			<b>36</b>
Other Incidental Regulated Revenue (5264)			<b>37</b>
Other Revenue Settlements (5269)	24,940	27,478	<b>38</b>
<b>Total Miscellaneous Revenue (5260)</b>	<b>31,297</b>	<b>35,658</b>	
Interstate Billing and Collection Revenue*	33,876	35,688	<b>39</b>
Intrastate Billing and Collection Revenue*	84,421	94,602	<b>40</b>
<b>Total Carrier Billing and Collection Revenue (5270)*</b>	<b>118,297</b>	<b>130,290</b>	
Nonregulated Operating Revenue (5280)**			<b>41</b>
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>270,231</b>	<b>277,620</b>	
<b>GROSS OPERATING REVENUES</b>	<b>2,776,346</b>	<b>2,512,798</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
Uncollectible Revenue (5300)*			<b>42</b>
Uncollectible Revenue--Telecommunications (5301)	3,232	5,086	<b>43</b>
Uncollectible Revenue--Other (5302)			<b>44</b>
<b>TOTAL UNCOLLECTIBLE REVENUE (5300)</b>	<b>3,232</b>	<b>5,086</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>2,773,114</b>	<b>2,507,712</b>	

\*\* Account 5280 is to be used only by those companies subject to dual jurisdiction.

**EXPENSE MATRIX - CLASS A & B**

<b>Particulars (a)</b>	<b>Total Last Year (b)</b>	<b>Total This Year (c)</b>	<b>Salaries / Wages (d)</b>	
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>				
Total Network Support Expense ( 6110 )	1,524	1,231	6,093	1
Less: Nonregulated		0		2
<b>Net Regulated</b>	<b>1,524</b>	<b>1,231</b>	<b>6,093</b>	<b>3</b>
Total General Support Expense ( 6120 )	56,667	42,290	7,500	4
Less: Nonregulated		0		5 D
<b>Net Regulated</b>	<b>56,667</b>	<b>42,290</b>	<b>7,500</b>	<b>6</b>
Total Central Office Switching Expense ( 6210 )	92,252	114,949	40,112	7
Less: Nonregulated		0		8 E
<b>Net Regulated</b>	<b>92,252</b>	<b>114,949</b>	<b>40,112</b>	<b>9</b>
Total Operator Systems Expense ( 6220 )	0	0		10
Less: Nonregulated		0		11
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>
Total Central Office Transmission Expenses ( 6230 )	6,395	7,433	5,068	13
Less: Nonregulated		0		14
<b>Net Regulated</b>	<b>6,395</b>	<b>7,433</b>	<b>5,068</b>	<b>15</b>
Total Information Orig. / Term. Expense ( 6310 )	3,273	685	533	16
Less: Nonregulated		0		17
<b>Net Regulated</b>	<b>3,273</b>	<b>685</b>	<b>533</b>	<b>18</b>
Total Cable and Wire Fac. Expense ( 6410 )	112,042	84,264	45,240	19
Less: Nonregulated		0		20 F
<b>Net Regulated</b>	<b>112,042</b>	<b>84,264</b>	<b>45,240</b>	<b>21</b>
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>272,153</b>	<b>250,852</b>	<b>104,546</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>272,153</b>	<b>250,852</b>	<b>104,546</b>	
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>				
Total Other Property, Plant and Equip. Exp. ( 6510 )	0	0	0	22
Less: Nonregulated		0		23
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24</b>
Total Network Operations Expense ( 6530 )	67,109	85,239	10,854	25
Less: Nonregulated		0		26 G
<b>Net Regulated</b>	<b>67,109</b>	<b>85,239</b>	<b>10,854</b>	<b>27</b>
Access Expense ( 6540 )		0		28
Less: Nonregulated		0		29
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>
Total Depreciation and Amortization Expense ( 6560 )	631,843	1,243,413		31
Less: Nonregulated		0		32 H
<b>Net Regulated</b>	<b>631,843</b>	<b>1,243,413</b>		<b>33</b>
<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXP.</b>	<b>698,952</b>	<b>1,328,652</b>	<b>10,854</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>698,952</b>	<b>1,328,652</b>	<b>10,854</b>	

**EXPENSE MATRIX - CLASS A & B (cont.)**

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			23,500	(28,362)	1
	0	0	23,500	(28,362)	2
					3
6120	2,586		32,204		4
	2,586	0	32,204	0	5 D
					6
6210	13,321		61,516		7
	13,321	0	61,516	0	8 E
					9
6220					10
	0	0	0	0	11
					12
6230	1,655		710		13
	1,655	0	710	0	14
					15
6310	217		(65)		16
	217	0	(65)	0	17
					18
6410	14,748		24,276		19
	14,748	0	24,276	0	20 F
					21
	32,527	0	142,141	(28,362)	
	0	0	0	0	
	32,527	0	142,141	(28,362)	
6510	0	0	0	0	22
					23
	0		0	0	24
6530	21,371		53,014		25
	21,371	0	53,014	0	26 G
					27
6540					28
	0	0	0	0	29
					30
6560			1,243,413		31
					32 H
			1,243,413		33
	21,371	0	1,296,427	0	
	0	0	0	0	
	21,371	0	1,296,427	0	

**EXPENSE MATRIX - CLASS A & B**

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
<b>CUSTOMER OPERATIONS EXPENSE</b>				
Total Marketing ( 6610 )	20,020	25,501	247	34
Less: Nonregulated		0		35
<b>Net Regulated</b>	<b>20,020</b>	<b>25,501</b>	<b>247</b>	<b>36</b>
Total Services ( 6620 )	315,378	310,881	89,599	37
Less: Nonregulated		0		38
<b>Net Regulated</b>	<b>315,378</b>	<b>310,881</b>	<b>89,599</b>	<b>39</b>
<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	<b>335,398</b>	<b>336,382</b>	<b>89,846</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>335,398</b>	<b>336,382</b>	<b>89,846</b>	
<b>CORPORATE OPERATIONS EXPENSE</b>				
Total Exec. and Planning ( 6710 )	89,218	80,503	19,627	40
Less: Nonregulated		0		41
<b>Net Regulated</b>	<b>89,218</b>	<b>80,503</b>	<b>19,627</b>	<b>42</b>
Total General and Administrative ( 6720 )	153,461	167,304	17,568	43
Less: Nonregulated		0		44
<b>Net Regulated</b>	<b>153,461</b>	<b>167,304</b>	<b>17,568</b>	<b>45</b>
Provision for Uncollectible Notes Receiv. ( 6790 )		0		46
Less: Nonregulated		0		47
<b>Net Regulated</b>	<b>0</b>	<b>0</b>		<b>48</b>
<b>TOTAL CORPORATE OPERATIONS EXPENSE</b>	<b>242,679</b>	<b>247,807</b>	<b>37,195</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>242,679</b>	<b>247,807</b>	<b>37,195</b>	
<b>TOTAL EXPENSES</b>	<b>1,549,182</b>	<b>2,163,693</b>	<b>242,441</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>1,549,182</b>	<b>2,163,693</b>	<b>242,441</b>	

**EXPENSE MATRIX - CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Benefits (f)</b>	<b>Rents (g)</b>	<b>Other (h)</b>	<b>Clearances to (from) (i)</b>	
<b>6610</b>	2,310		22,944		<b>34</b>
					<b>35</b>
	<b>2,310</b>	<b>0</b>	<b>22,944</b>	<b>0</b>	<b>36</b>
<b>6620</b>	32,522		188,760		<b>37</b>
					<b>38</b>
	<b>32,522</b>		<b>188,760</b>	<b>0</b>	<b>39</b>
	<b>34,832</b>	<b>0</b>	<b>211,704</b>	<b>0</b>	
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>34,832</b>	<b>0</b>	<b>211,704</b>	<b>0</b>	
<b>6710</b>	20,554		40,322		<b>40</b>
					<b>41</b>
	<b>20,554</b>		<b>40,322</b>	<b>0</b>	<b>42</b>
<b>6720</b>	16,383		133,353		<b>43</b>
					<b>44</b>
	<b>16,383</b>		<b>133,353</b>	<b>0</b>	<b>45</b>
<b>6790</b>					<b>46</b>
					<b>47</b>
			<b>0</b>		<b>48</b>
	<b>36,937</b>	<b>0</b>	<b>173,675</b>	<b>0</b>	
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>36,937</b>	<b>0</b>	<b>173,675</b>	<b>0</b>	
	<b>125,667</b>	<b>0</b>	<b>1,823,947</b>	<b>(28,362)</b>	
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>125,667</b>	<b>0</b>	<b>1,823,947</b>	<b>(28,362)</b>	

**EXPENSE MATRIX - CLASS A & B ( DETAIL )**

<b>Particulars (a)</b>	<b>Total Last Year (b)</b>	<b>Total This Year (c)</b>	<b>Salaries/ Wages (d)</b>	
Property Held for Future Tele. Use Exp. ( 6511 )		0		<b>1</b>
Provisioning Expense ( 6512 )		0		<b>2</b>
<b>Total: Reported in Account 6510</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Depreciat. Exp.--Tele. Plant in Service ( 6561 )	631,843	1,243,413		<b>3</b>
Depreciat. Exp.--Prop. Held for Future Tele. Use ( 6562 )		0		<b>4</b>
Amortization Expense--Tangible ( 6563 )		0		<b>5</b>
Amortization Expense--Intangible ( 6564 )		0		<b>6</b>
Amortization Expense--Other ( 6565 )		0		<b>7</b>
<b>Total: Reported in Account 6560</b>	<b>631,843</b>	<b>1,243,413</b>		

**EXPENSE MATRIX - CLASS A & B ( DETAIL ) (cont.)**

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			1,243,413		3
6562					4
6563					5
6564					6
6565					7
			1,243,413		



## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.**

Description (a)	This Year (b)	
Gross Operating Revenues	2,776,346	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes</b>	<b><u>2,776,346</u></b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	626,423	1
Plus: Total Intrastate Access Revenues (5084)	642,549	2
Plus: Total Long Distance Network Services Revenue	4,989	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify): NONE	0	5
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b><u>1,273,961</u></b>	

## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.**

Description (a)	This Year (b)	
Gross Operating Revenues	2,776,346	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b><u>2,776,346</u></b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	626,423	1
Plus: Total Intrastate Access Revenues (5084)	642,549	2
Plus: Total Long Distance Network Services Revenue	4,989	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify): NONE	0	5
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b><u>1,273,961</u></b>	

**OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>OTHER OPERATING INCOME AND EXPENSE</b>			
Income from Custom Work (7110)*			1
Return from Nonregulated Use of Regulated Facilities (7130)*			2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*			5
<b>TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*</b>	<b>0</b>	<b>0</b>	
<b>OPERATING TAXES</b>			
Operating Investment Tax Credits--Net (7210)*	(25,032)	(10,893)	6
Operating Federal Income Taxes (7220)*	238,607	161,830	7
Operating State and Local Income Taxes (7230)*	38,357	43,369	8
Operating Other Taxes (7240)*	163,743	150,025	9
Provision for Deferred Operating Income Taxes--Net (7250)*	(161,894)	46,592	10
<b>TOTAL OPERATING TAXES (7200)*</b>	<b>253,781</b>	<b>390,923</b>	
<b>NONOPERATING INCOME AND EXPENSE</b>			
Dividend Income (7310)*			11
Interest Income (7320)*	5,627	14,829	12
Income from Sinking and Other Funds (7330)*			13
Allowance for Funds Used During Construction (7340)*	11,544	3,009	14
Gains or (Losses) from the Disposition of Certain Property (7350)*			15
Other Nonoperating Income (7360)*	80,000	40,000	16
Special Charges (7370)*	12,106	3,294	17
<b>TOTAL NONOPERATING INCOME AND EXPENSE (7300)*</b>	<b>85,065</b>	<b>54,544</b>	
<b>NONOPERATING TAXES</b>			
Nonoperating Investment Tax Credits--Net (7410)*			18
Nonoperating Federal Income Taxes (7420)*	53,177	76,640	19
Nonoperating State and Local Income Taxes (7430)*	14,262	20,495	20
Nonoperating Other Taxes (7440)*			21
Provision for Deferred Nonoperating Income Taxes--Net (7450)*	(38,410)	(75,590)	22
<b>TOTAL NONOPERATING TAXES (7400)*</b>	<b>29,029</b>	<b>21,545</b>	
<b>INTEREST AND RELATED ITEMS</b>			
Interest on Funded Debt (7510)*	165,696	171,615	23
Interest Expense--Capital Leases (7520)*			24
Amortization of Debt Issuance Expense (7530)*	269	269	25
Other Interest Deductions (7540)*	229		26
<b>TOTAL INTEREST AND RELATED ITEMS (7500)*</b>	<b>166,194</b>	<b>171,884</b>	
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Items (7600)*			27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)	0	0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)	0	0	31
<b>TOTAL EXTRAORDINARY ITEMS (7600)*</b>	<b>0</b>	<b>0</b>	
<b>NONREGULATED NET INCOME</b>			
Nonregulated Net Income (7990)*	(630)	(1,879)	32

**NONREGULATED NET INCOME (ACCT. 7990)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Revenues (Acct. 7990.1)		
Gross Sales	73,628	1
Less: Cost of Goods Sold	19,469	2
<b>Net Sales</b>	<b>54,159</b>	<b>3</b>
Expenses (Acct. 7990.2)	54,789	4
<b>Nonregulated Net Income</b>	<b><u>(630)</u></b>	<b>5</b>

List the type of nonregulated activities that company is involved in:

SALES AND MAINTENANCE OF CUSTOMER PREMISE EQUIPMENT (CPE), INSIDE WIRING.  
CELLULAR TELEPHONE, PAGING AND PAYSTATION ACTIVITY.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

**DISTRIBUTION OF SALARIES AND WAGES**

<b>Description (a)</b>	<b>Amount (b)</b>	
Regulated Expense	242,441	<b>1</b>
Nonregulated Expense	14,993	<b>2</b>
Plant Accounts	58,229	<b>3</b>
Accumulated Depreciation Accounts	2,707	<b>4</b>
All Other Accounts	3,925	<b>5</b>
<b>Total Salaries and Wages</b>	<b>322,295</b>	<b>6</b>

**EMPLOYEE DATA**

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

<b>Employee Category (a)</b>	<b>Number of Equivalent Full-Time Employees</b>		<b>Total Compensation (d)</b>	
	<b>FOY (b)</b>	<b>EOY (c)</b>		
Officers				<b>1</b>
Supervision and Other Management	1.00	1.00	55,603	<b>2</b>
Other Employees	9.00	9.00	266,692	<b>3</b>
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>322,295</b>	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers				1
Supervision and Other Management	1.00	1.00	55,603	2
Other Employees	9.00	9.00	266,692	3
Total	10.00	10.00	322,295	

**TELEPHONE CALLS AND MINUTES OF USE PER MONTH**

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
<b>LOCAL</b>			
Intra-Exchange			1
Extended Area Service			2
Extended Community Calling	17	72	3 1
Other Local-Undefined			4
<b>Total Local</b>	<b>17</b>	<b>72</b>	
<b>TOLL</b>			
Operator Handled: State--intraLATA	6	6	5
Operator Handled: State--interLATA	1	2	6
Operator Handled: Interstate	2	5	7
Customer Dialed: State--intraLATA	49	328	8
Customer Dialed: State--interLATA	54	393	9
Customer Dialed: Interstate	45	363	10
WATS			11
Other Toll-Undefined			12
<b>Total Toll</b>	<b>157</b>	<b>1,097</b>	
<b>Total Local &amp; Toll</b>	<b>174</b>	<b>1,169</b>	

**ACCESS USAGE**

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.			1,981		5
Feature Group C -- Term.			1,656		6
Feature Group D -- Orig.	1,936	1,995	377		7
Feature Group D -- Term.	2,472	2,745			8



**OUTSIDE PLANT STATISTICS AT END OF YEAR**

<b>Description of Item (a)</b>	<b>Amount (b)</b>	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	595	2
Sheath miles of plant - fiber optics	36	3
Strand miles of plant - fiber optics	612	4
Route miles of plant - microwave	0	5

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

<b>Circuit Type (a)</b>	<b>InterLATA Chan. Terms. (b)</b>	<b>IntraLATA Chan. Terms. (c)</b>	
Voice grade	6	18	1
56 kbps	5	7	2
64 kbps (DS0)	2	0	3
1.54 Mbps (DS-1)	1	3	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

<b>Description of Item (a)</b>	<b>Amount (b)</b>	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	595	2
Sheath miles of plant - fiber optics	36	3
Strand miles of plant - fiber optics	612	4
Route miles of plant - microwave	0	5

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

<b>Circuit Type (a)</b>	<b>InterLATA Chan. Terms. (b)</b>	<b>IntraLATA Chan. Terms. (c)</b>	
Voice grade	6	18	1
56 kbps	5	7	2
64 kbps (DS0)	2	0	3
1.54 Mbps (DS-1)	1	3	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

**SERVICE DATA**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Business</b>			
1 Party	379	370	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	3	3	6
Centrex Trunks	0		7
Centrex Lines	381	409	8
Key System Trunks	142	145	9
Mobile (Utility Provided Service)	8	0	10
Paging (Utility Provided Service)	53	69	11
FX-Out (Switched)	2	2	12
Pay Telephone	23	26	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	0	0	16
- Semi-Public	0	0	17
- Cust. Owned		0	18
Other	0	0	19
<b>Total Business Lines</b>	<b>991</b>	<b>1,024</b>	<b>20</b>
<b>Residential (Incl. Emp. Concess.)</b>			
1 Party	2,447	2,507	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
<b>Total Residential Lines</b>	<b>2,447</b>	<b>2,507</b>	<b>27</b>
<b>Total Bus &amp; Res Lines</b>	<b>3,438</b>	<b>3,531</b>	<b>28</b>
Company Used Lines	63	65	29
<b>Total Lines Used</b>	<b>3,501</b>	<b>3,596</b>	<b>30</b>

**SERVICE DATA (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Miscellaneous</b>			
WATS Lines - OutWATS	0		3
WATS Lines - 800 Service	0		4
FX-In-intraLATA	4	4	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	42	97	7
Special Access-interLATA			8
(expressed in equiv. access lines)	0	37	9
Feature Group A Lines	0		10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	82	0	13
TSPS - Trunks	13	0	14
EAS - Trunks	15	0	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0	6	18
<b>Customers</b>			
Business - 2 Party Customers	0		20
Business - 4 Party Customers	0		21
Residential - 2 Party Customers	0		22
Residential - 4 Party Customers	0		23
<b>Other</b>			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)	8,878,174	8,375,661	27
Total Company Square Miles	311	311	28
Total Company Route Miles	432	441	29
Footnotes		2	30

**SERVICE DATA - END OF YEAR**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0180	1290			1
<b>Business</b>					2
1 Party	48	322			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks		3			6
Centrex Trunks	---CONF---	---CONF---			7
Centrex Lines		409			8
Key System Trunks		145			9
Mobile (utility provided service)		0			10
Paging (utility provided service)		69			11
FX-Out (Switched)		2			12
Pay Telephone	3	23			13
Coin-Operated Pay Telephone	0	0			14
Independent Pay Telephone Provider	0	0			15
Pay Stations - Public	0	0			16
- Semi-Public	0	0			17
- Cust. Owned	0	0			18
Other	0				19
<b>Total Business Lines</b>	<b>51</b>	<b>973</b>	<b>0</b>	<b>0</b>	20
<b>Residential (Incl. Emp. Concess.)</b>					21
1 Party	463	2,044			22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
<b>Total Residential Lines</b>	<b>463</b>	<b>2,044</b>	<b>0</b>	<b>0</b>	27
<b>Total Bus &amp; Res Lines</b>	<b>514</b>	<b>3,017</b>	<b>0</b>	<b>0</b>	28
Company Used Lines	4	61			29
<b>Total Lines Used</b>	<b>518</b>	<b>3,078</b>	<b>0</b>	<b>0</b>	30

**SERVICE DATA - END OF YEAR (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

<b>Item (a)</b>	<b>Exchange (b)</b>	<b>Exchange (c)</b>	<b>Exchange (d)</b>	<b>Exchange (e)</b>	
PSCW Exchange ID	0180	1290			1
<b>Miscellaneous</b>					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA		4			5
Special Access-intraLATA (equiv. access lines)	2	95			6
Special Access-interLATA (equiv. access lines)	0	37			7
Feature Group A Lines					8
Feature Group B Trunks					9
Feature Group C Trunks					10
Feature Group D Trunks		0			11
TSPS - Trunks		0			12
EAS - Trunks		0			13
Cellular Trunks (Pub. Sw. Net.)					14
Video Distance Learning - discounted (special tariff)	0	6			15
<b>Customers</b>					16
Business - 2 Party Customers					17
Business - 4 Party Customers					18
Residential - 2 Party Customers					19
Residential - 4 Party Customers					20
<b>Other</b>					21
Exchange C.O., Info. Orig./Term., & Cable Wire Fac. Assets (based on physical location of plant)	1,345,565	7,030,096			22
Exchange Square Miles	141	170			23
Exchange Route Miles	92	349			24
Footnotes					25

**MANUFACTURER ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Manufacturer Name (a)</b>	<b>Abbreviation (b)</b>	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

**EQUIPMENT ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Equipment Type (a)</b>	<b>Abbreviation (b)</b>	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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**CENTRAL OFFICE DATA - END OF YEAR**

When an exchange has more than one central office, data must be reported for each central office.

<b>Description (a)</b>	<b>Central Off. (b)</b>	<b>Central Off. (c)</b>	<b>Central Off. (d)</b>	<b>Central Off. (e)</b>	
Exchange Name	ARGONNE	CRANDON			1
PSCW Exchange ID	0180	1290			2
Central Office Name	ARGONNE	CRANDON			3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	NTI	NTI			5
Year COE Installed	1997	1997			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	R	R			8
Remote Host PSCW Exchange ID	4550	4550			9
Remote Host PSCW Central Office ID	1	1			10
COE Generic Software Release No.	LLDB006	LLDB006			11
SS7?	Yes	Yes			12
9-1-1?	No	No			13
Access Lines - In Use	515	3,055			14
- Equipped	1,279	5,348			15
- Wired	1,280	5,760			16
Trunks - In Use	0	0			17
- Equipped	0	0			18
- Wired	0	0			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	Yes	Yes			23
Switched 56 lines in use	0	0			24
Digital Transmission Facilities: DS-1 - In Use	4	50			25
DS-3 - In Use	0	2			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	Yes	Yes			31
- In Use (# lines) <sup>1</sup>	0	1			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	16	120			33
No. of fiber strands working (LIT) in C.O.	4	22			34
No. of fiber strands for interoffice use	4	20			35
Miles of fiber sheath in wire center	2	34			36
Access Tandem Serving this C.O.:					
- C.O. Name	RHINELANDER	RHINELANDER			37
- PSCW C.O. ID	4550-01	4550-01			38
Does this C.O. do access tandem switching?	No	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	No	No			41
Footnotes					42

<sup>1</sup> Teleco provided end-to-end facility.

**GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**

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**General Footnote**

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**Schedule Footnotes**

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**Schedule Line Footnotes**

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- 1) ECC DATA ONLY AVAILABLE.
- 2) FIRST OF THE YEAR VALUE IS "0".
- A) INCREASE OF \$180,354 IS DUE TO INCREASED POOLING REVENUES RECEIVABLE FROM NECA. THE INCREASE IN DEPRECIATION EXPENSE WAS THE MAIN DRIVER IN THE HIGH REVENUE REQUIREMENT AND BOOKED REVENUES.
- B) INCREASE OF \$5,094 IS ATTRIBUTABLE TO THE INCREASE IN THE DEMAND FOR INTER-STATE SPECIAL ACCESS CIRCUITS.
- C) TRANSFER/RECLASSIFY TO THE PROPER UNIFORM SYSTEM OF ACCOUNTS ACCOUNT
- D) LAND & BUILDING EXPENSES DECREASED IN 97 BECAUSE THE WAREHOUSE ROOF WAS RESHINGLED, THE GROUNDS WERE LANDSCAPED AND THE OFFICE WAS REPAPERED AND REPAINTED IN 1996.
- E) DIGITAL CENTRAL OFFICE EXPENSES INCREASED IN 97 DUE TO THE HOST SERVICE AGREEMENT WITH RHINELANDER TELEPHONE COMPANY EFFECTIVE APRIL 1, 1997.
- F) CABLE AND WIRE FACILITY EXPENSES DECREASED IN 97 PRIMARILY IN THE BURIED CABLE CATEGORY BECAUSE THE RENTS EXPENSE CEASED MARCH 31 WITH THE ELIMINATION OF THE A-LINK COSTS AND THERE WERE MORE BURIED CABLE REPAIR INSTANCES IN 96.
- G) INCREASED ALLOCATION OF COSTS FROM RHINELANDER TELEPHONE COMPANY DUE SOMEWHAT TO DIRECT vs ALLOCATED METHOD OF PAYROLL AND BENEFITS.
- H) INCREASED DEPRECIATION ACCRUAL TO OFFSET THE RESERVE DEFICIENCY ASSOCIATED WITH THE RETIREMENT OF CENTRAL OFFICE EQUIPMENT.
- I) INCREASED COSTS FOR PRODUCTS AND SERVICES PROMOTIONS.